

CHAPTER 1403

H.B. No. 2766

AN ACT

relating to repayment assistance for certain education loans owed by certain state attorneys.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Chapter 61, Education Code, is amended by adding Subchapter X to read as follows:

**SUBCHAPTER X. REPAYMENT OF CERTAIN EDUCATION LOANS OWED BY
CERTAIN STATE ATTORNEYS**

Sec. 61.951. REPAYMENT ASSISTANCE AUTHORIZED. (a) The board may provide, in accordance with this subchapter and board rules, assistance in the repayment of education loans for attorneys who apply and qualify for the assistance.

(b) The provision of financial assistance in the repayment of education loans under this subchapter promotes a public purpose.

Sec. 61.952. ELIGIBILITY. To be eligible to receive repayment assistance, an attorney must:

(1) apply to the board;

(2) be employed by or have been offered employment with the office of the attorney general at the time the attorney applies for the assistance; and

(3) enter into an agreement to serve as an attorney with the office of the attorney general as provided by Section 61.953.

Sec. 61.953. AGREEMENT; TERMS. (a) To qualify for repayment assistance under this subchapter, an attorney must enter into a written agreement with the board as provided by this subchapter. The agreement must specify the conditions the attorney must satisfy to receive the repayment assistance.

(b) To be eligible to receive the repayment assistance, an attorney must agree to serve at least three years as an attorney with the office of the attorney general.

(c) Only service as an attorney with the office of the attorney general after the date the attorney enters into the agreement may be used to satisfy the service requirement under the agreement.

(d) The attorney must complete the service obligation during the three years following the date of the agreement unless the board grants the attorney additional time to begin fulfilling the service obligation. The board shall grant the attorney additional time to complete the service obligation for good cause.

(e) The board shall cancel an attorney's service obligation if the board determines that the attorney:

(1) has become permanently disabled so that the attorney is not able to serve as an attorney with the office of the attorney general; or

(2) has died.

(f) The board shall require an attorney who receives the repayment assistance to sign an agreement in the nature of a contract under which the attorney agrees to perform the required years of service. If the attorney does not fulfill the terms of the agreement, all repayment assistance paid under this subchapter on behalf of the attorney becomes a loan and must be repaid. The agreement must include a promissory note acknowledging the conditional nature of the repayment assistance and promising to repay the amount of the loan repayment, applicable interest, and reasonable collection costs if the attorney does not satisfy the applicable conditions. The board shall determine the terms of the promissory note.

Sec. 61.954. LIMITATIONS. (a) For each year that an attorney serves as an attorney with the office of the attorney general under an agreement under Section 61.953, the attorney may receive repayment assistance under this subchapter in an amount not to exceed \$6,000.

(b) An attorney may not receive repayment assistance under this subchapter for more than three years.

Sec. 61.955. ELIGIBLE LOANS. (a) The board may provide repayment assistance for the repayment of any education loan received by the attorney through any lender, other than a private individual, for:

(1) education at a school of law authorized by the board to award a degree that satisfies the law study requirements for licensure as an attorney in this state; or

(2) undergraduate education at an institution of higher education or an accredited private or independent institution of higher education.

(b) The board may not provide repayment assistance for an education loan that is in default at the time of the attorney's application.

(c) Each state fiscal biennium the board shall attempt to allocate all funds appropriated for the purpose of providing repayment assistance under this subchapter.

Sec. 61.956. REPAYMENT. (a) The board shall deliver any repayment assistance made under this subchapter in a lump sum payable to the lender and the attorney and in accordance with any applicable federal law.

(b) Repayment assistance received under this subchapter may be applied to the principal amount of the loan and to interest that accrues.

Sec. 61.957. ASSISTANCE AVAILABLE TO BOARD. The board may:

(1) appoint an advisory committee from outside the board's membership to assist the board in performing the board's duties under this subchapter; and

(2) request the assistance of the State Bar of Texas and the office of the attorney general in performing those duties.

Sec. 61.958. ACCEPTANCE OF FUNDS. The board may solicit and accept gifts, grants, and donations for the purposes of this subchapter.

Sec. 61.959. RULES. (a) The board shall adopt rules necessary for the administration of this subchapter.

(b) The board shall distribute a copy of the rules adopted under this section and pertinent information in this subchapter to:

(1) each school of law authorized by the board to award a degree described by Section 61.955(a)(1);

(2) any appropriate state agency; and

(3) any appropriate professional association.

Sec. 61.960. TOTAL AMOUNT OF REPAYMENT ASSISTANCE. The total amount of repayment assistance distributed by the board under this subchapter may not exceed the total amount of gifts, grants, and donations accepted by the board for repayment assistance and tuition set aside under Section 61.961.

Sec. 61.961. LAW SCHOOL TUITION SET ASIDE FOR CERTAIN LOAN REPAYMENTS. (a) The governing board of each public school of law in this state authorized by the board to award a degree that satisfies the law study requirements for licensure as an attorney in this state shall set aside one percent of tuition charges for resident students enrolled in the school of law.

(b) The amount set aside shall be transferred to the comptroller to be maintained in the state treasury for the sole purpose of repayment of education loans of attorneys under this subchapter. Section 403.095(b), Government Code, does not apply to the amount set aside under this section.

Sec. 61.962. LIMITATIONS ON FUNDING. The loan repayment program under this subchapter may be funded only from:

- (1) gifts, grants, and donations accepted by the board; and*
- (2) tuition set aside under Section 61.961.*

SECTION 2. The Texas Higher Education Coordinating Board shall adopt the rules for the repayment assistance program under Subchapter X, Chapter 61, Education Code, as added by this Act, not later than December 1, 2001.

SECTION 3. The Texas Higher Education Coordinating Board shall submit a report to the legislature regarding the board's activities under Subchapter X, Chapter 61, Education Code, as added by this Act, not later than December 1, 2004.

SECTION 4. This Act takes effect September 1, 2001.

Passed by the House on May 4, 2001, by a non-record vote; and that the House concurred in Senate amendments to H.B. No. 2766 on May 25, 2001, by a non-record vote; passed by the Senate, with amendments, on May 21, 2001, by a viva-voce vote.

Approved June 16, 2001.

Effective September 1, 2001.

CHAPTER 1404

H.B. No. 2793

AN ACT

relating to the share of the cost of a coastal erosion response study or project required to be paid by a qualified project partner under an agreement with the commissioner of the General Land Office.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 33.603(c), Natural Resources Code, is amended to read as follows:

(c) An agreement between the commissioner and a qualified project partner to undertake a coastal erosion response study or project:

(1) must require the qualified project partner to pay at least 15 [25] percent of the shared project cost:

(A) before completion of the project; or

(B) following completion of the project, in accordance with a schedule provided by the agreement; and

(2) may contain other terms governing the study or project.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2001.

Passed by the House on April 27, 2001: Yeas 143, Nays 0, 2 present, not voting; passed by the Senate on May 23, 2001: Yeas 30, Nays 0, 1 present, not voting.

Approved June 16, 2001.

Effective June 16, 2001.